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Antwerp,  
November 22, 2019

Press release  
**Trading update  
third quarter  
2019**



# Marine Engineering & Contracting

## DEME

DEME (AvH 60.84%) realized a turnover over the first nine months of 2019 of 2,022 million euros, which is virtually stable compared with the same period last year (Q3 2018: 2,016 million euros).

DEME Offshore realized a turnover of 895.5 million euros, or 44.3% of the total turnover, over this period. DEME Offshore is now more than halfway through the installation of the 309 monopiles for the Moray East offshore wind farm (UK, 950 MW). In May 2019, the offshore operations began with the installation vessel Apollo. The monopiles form part of the foundations on which the turbines will subsequently be installed. DEME Offshore also completed the installation of turbines for Hornsea One, the world's largest offshore wind farm (1,128 MW), with the installation vessel Sea Challenger. Finally, the Living Stone successfully finished laying the cables that connect the power grid in Zeebrugge to Elia's offshore power hub MOG.

In September, the Innovation set sail with the first load of foundations for the SeaMade offshore wind farm. DEME handles the installation of the 58 foundations and all the inter-array cables, the two offshore substations, and the submarine 220 KV high-voltage cable installation. With a

capacity of 487 MW, SeaMade will be the largest offshore wind farm in Belgium. By the end of 2020, it will supply renewable energy to 500,000 Belgian households.

The dredging activities represented a turnover of 832.9 million euros over the first nine months of 2019. In July, DEME started the deepening works on the river Elbe. The project involves the widening and deepening of the 116 km fairway between Cuxhaven and Hamburg to a depth of 14.5 metres. The other dredging projects, such as TTP1 (Singapore), Szczecin (Poland), and Canal Martin Garcia (Uruguay and Argentina) are in full progress. DEME recently completed all the dredging and land reclamation works for the New Port and Container Terminal in Tema (Ghana). The Nouvelle Route du Littoral project in La Réunion was successfully delivered too, after having worked there non-stop for five years.

In the Netherlands, work continued on the large-scale infrastructure projects RijnlandRoute, the New Terneuzen Lock, and the Blankenburgverbinding. An important milestone was reached in August on the RijnlandRoute as the tunnel boring machine started on the underground works.

DEME's order backlog amounted to 3,875 million euros at September 30, 2019, compared with 3,940 million euros at the end of June 2019.



DEME - Innovation - SeaMade



DEME - Apollo - Moray East



CFE - Duinenzee

At the end of August, the consortium composed of DEME and Eiffage Métal was awarded the major EPCI contract for the design, fabrication and installation of 80 foundations for the offshore wind farm in Saint-Nazaire (France). The consortium contract has a total value of more than 500 million euros. Completion of the works is planned in the summer of 2022. The wind farm (480 MW) will generate enough electricity to supply 20% of the Loire-Atlantique department's power.

The Fehmarnbelt project (710 million euros), which concerns the construction of the world's longest submerged road and rail tunnel between Denmark and Germany, has not yet been included in this order backlog as it is pending the receipt of the final licenses. Likewise, the contracts of CDWE (CSBC DEME Wind Engineering, a joint venture between CSBC Corporation and DEME Offshore) for the Hai Long and Zhong Neng wind farms (both in Taiwan), which were announced in October and November, are not included in the order backlog at the end of September 2019.

Hai Long is the first large-scale Balance of Plant (BOP) project for DEME in Taiwan and an important milestone in the localization of the offshore wind industry in Taiwan. The contract covers the Engineering, Procurement, Construction & Installation (EPCI) of the foundations, inter-array cables, export cables and the transport and installation of the turbines. The offshore works for the construction of Hai Long 2 and 3 are scheduled for 2023. The contracts for the offshore wind farm Zhong Neng (300 MW) cover the transport and installation of foundations, along with a Preferred Bidder Agreement (PBA) for the transport and installation of turbines. This offshore wind farm is due for completion in 2024.

DEME unflaggingly continued to invest in its fleet and has already invested 379.5 million euros since the beginning of 2019 (June 30, 2019: 252.9 million euros). In addition to the major repair costs, in particular those for the jack-up vessel Innovation, the investments were primarily related to the four large vessels under construction, notably the Spartacus, the world's most powerful cutter suction dredger, the offshore installation vessel Orion, and the trailing suction hopper dredgers Meuse River and River Thames, which will all be put into operation in 2020.

Despite those investments, DEME's net financial debt (incl. IFRS 16 effect for leases) decreased to 782.1 million euros, compared with 805.7 million euros at June 30, 2019.

For the full year 2019, DEME expects a slight increase in turnover and an EBITDA on the same level as in 2018.

## CFE

At CFE (AvH 60.84%), the CFE Contracting division realized a 9.3% turnover increase to 734.3 million euros (Q3 2018: 671.7 million euros). This substantial increase is driven by the construction activities in Flanders with, among other projects, the ZNA hospital in Antwerp and Gare Maritime on the Tour & Taxis site in Brussels, and in Poland (logistics centres).

The order book of CFE Contracting amounted to 1,315 million euros at the end of September 2019 (1,320 million euros at year-end 2018). The strong increase in new contracts in the Rail & Utilities and Multitechnics segments was offset by a significant decrease (-13%) in the Construction segment. In the construction activities in Belgium, emphasis is primarily on improving margins through a greater selectivity in order intake. CFE Contracting will realize a limited turnover increase in 2019. Due to the continued difficult market environment in Brussels and Wallonia, the operational result will be below the level of 2018.

In the Real Estate Development division, sales of residential buildings remain highly satisfactory in the three countries where BPI operates. The real estate portfolio remained stable at 140 million euros. In Luxembourg, BPI sold off-plan the residential tower block (8,900 m<sup>2</sup>) which is part of the Gravity project in Differdange. Planning permission has been obtained and construction work is expected to begin shortly. In Poland, BPI won the bid for the acquisition of land in Gdynia, near Gdansk. Approximately 9,400 m<sup>2</sup> of residential units can be developed on that site. BPI expects its operating result and net result to be higher than in the previous year.

# Private Banking

## Delen Private Bank

Delen Private Bank (AvH 78.75%) realized again an increase in total assets under management at a consolidated level (Delen Private Bank, JM Finn and Oyens & Van Eeghen) to 41,988 million euros in the third quarter of 2019, compared to 41,129 million euros at the end of June 2019. Although the gross inflow of new and/or additional assets under management remained stable and in the United Kingdom and the Netherlands even increased in comparison with the previous year, the increase in assets under management in 2019 is explained by the increasing market value of those assets.

In September, Delen Private Bank announced the acquisition of Nobel Vermogensbeheer, an independent asset manager in the Netherlands. This strengthens the bank's presence in the Netherlands, where it operates under the name Oyens & Van Eeghen. Delen Private Bank will take over the clients and employees of Nobel Vermogensbeheer in Q4 2019 and in Q1 2020. On August 31, 2019, the assets under management at Nobel Vermogensbeheer amounted to more than 260 million euros.

The cost-income ratio of Delen Private Bank (consolidated) amounted to 55.94% (2018: 55.27%). Excluding JM Finn and Oyens & Van Eeghen, it even decreased slightly to 44.54% (compared with 44.73%).

## FinAx: Assets under management

(€ million)	3Q19	1H19	2018
<b>Delen Private Bank</b>	<b>41,988</b>	41,129	37,713
Delen Private Bank	30,647	30,028	27,673
JM Finn	10,819	10,592	9,563
Oyens & Van Eeghen	522	509	476
<b>Bank J.Van Breda &amp; C°</b>			
Off-balance sheet products	10,499	10,135	9,392
Client deposits	5,350	5,202	4,877
AuM at Delen <sup>(1)</sup>	-7,505	-7,289	-6,601
<b>FinAx</b>	<b>50,332</b>	49,177	45,381

<sup>(1)</sup> Already included in AuM Delen Private Bank

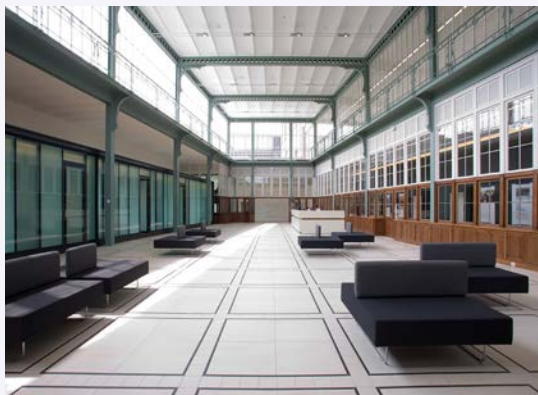
## Bank J.Van Breda & C°

At Bank J.Van Breda & C° (AvH 78.75%), the assets invested by clients increased to 15.8 billion euros (H1 2019: 15.3 billion euros), of which 5.3 billion euros client deposits and 10.5 billion euros off-balance sheet products (partly at Delen Private Bank).

The total loan portfolio increased to 5.1 billion euros (H1 2019: 5.0 billion euros). There were virtually no impairment losses on loans to be recognized in the first nine months of 2019.



Oyens & Van Eeghen - Amsterdam



Bank J.Van Breda & C° - Antwerp

# Real Estate & Senior Care

## Leasinvest Real Estate

Leasinvest Real Estate (LRE, AvH 30.01%) reported a significant increase in its net result to 39.6 million euros in the third quarter of 2019, compared to 27.2 million euros over the same period last year.

The fair value of the consolidated real estate portfolio, including project developments, increased to 1.1 billion euros. At the end of August 2019, LRE acquired two important retail properties (Retailpark SCS and Retailpark Pittarello) near Austria's largest shopping complex, Shopping City Süd in Vösendorf, near Vienna. Both retail parks are fully leased and generate an annual rental income of approx. 4 million euros. These acquisitions represent an investment of 71.8 million euros. This acquisition was to a large extent funded with a new credit line of 65 million euros with a 7-year maturity. LRE's portfolio is geographically spread across the Grand Duchy of Luxembourg (52%), Belgium (32%) and Austria (16%), and currently comprises 47% retail, 47% offices and 6% logistics. Including the 10% stake in BE-REIT Retail Estates, the fair value of the portfolio at the end of September 2019 stood at 1.2 billion euros.

The rental income increased by 16% to 48.7 million euros (Q3 2018: 41.9 million euros). This increase is driven by the delivery of Montoyer 63 and Treesquare and by the properties acquired at the end of 2018 (EBBC A&C and Hangar 26) and in the course of 2019 (EBBC B&E and Vösendorf). The overall occupancy rate and the rental yield decreased slightly to 93.2% (H1 2019: 94.7%) and 5.96% (H1 2019: 6.39%) respectively.

At the end of September 2019, the shareholders' equity (group share) amounted to 476 million euros (end of June 2019: 464 million euros). The debt ratio increased slightly to 55.9% (55.7% at the end of June 2019). In November, LRE issued a 7-year private placement of bonds amounting to 100 million euros, in replacement of an earlier bond of 75 million euros which matured in October.

## Extensa

Extensa (AvH 100%) sold off-plan all available apartments of the Riva residence in the Tour & Taxis project in Brussels. Delivery is scheduled for the beginning of 2020. Off-plan sales of six apartment buildings (319 units in total) have started as well. Construction will be gradually started as from Q3 2019 and will take three years. The first of the ten modules in the former Gare Maritime freight station has been brought into use. Construction of the other modules is progressing as planned. The construction of the underground car park (908 parking places) for this project and the apartments under construction is also on track.

In the Cloche d'Or project in Luxembourg, construction of the pre-sold apartments (Ilôt A) was on schedule. The apartments will be delivered in

stages. Off-plan sales of a new residential project (Ilôt D Sud - 151 apartments) have started, and construction has already begun. Construction has also begun of five new office buildings (approximately 30,000 m<sup>2</sup> in total), which include 'Bijou' (6,021 m<sup>2</sup>), 'Spaces' (4,261 m<sup>2</sup>) and a new head office for Intesa Sanpaolo (10,830 m<sup>2</sup>).

## Anima Care

Anima Care (AvH 92.5%) opened two brand-new care centres in September. In Zoutleeuw, the 43 residents of Philemon & Baucis residential care centre moved into the new Ravelijn residential care centre, where an additional 30 convalescence beds and 20 service flats will be brought into use in November. In Bilzen, the 57 residents of Ark van Noé moved into the new residential care centre Kristallijn. In the first quarter of 2020, 49 additional residential units will be brought into use in Kristallijn.

At September 30, 2019, Anima Care's network of residential care centres comprised 1,785 retirement home beds, 107 convalescence beds and 205 service flats, spread over 21 care centres (9 in Flanders, 8 in Brussels, 4 in Wallonia). That makes a total of 2,097 beds.

At the beginning of October, Anima Care acquired the residential care centres Villa 34 and Le Rossignol in Braine-l'Alleud, which together operate 125 retirement home beds. At the end of October, Anima Care opened its new residential care centre Alegria on the Erasmus site in Anderlecht with 159 nursing home beds and 34 service flats. The new residential care centre Nuance in Vorst will open in December.



Extensa - Gare Maritime

# Energy & Resources

## SIPEF

The production of sustainable palm oil at SIPEF (AvH 32.33%) decreased in the first nine months of 2019 by 10.4% to 234,505 tonnes (Q3 2018: 261,680 tonnes). For the first time this year, the Indonesian palm activities reported a quarter with increasing volumes (+3.3%) compared to the same period last year, thanks to higher extraction rates. The palm plantations in Papua New Guinea were hit three times by volcanic eruptions from Mount Ulawun, which led to a 48.6% decrease in the volume of palm oil produced at Hargy in the third quarter.

The demand for palm oil, for both food and biodiesel purposes, was strong in August, causing the palm oil prices to peak at USD 590 per tonne CIF Rotterdam, but then again slightly decreased due to higher production in Malaysia. The increase of the market price of palm oil continued strongly in the fourth quarter of 2019.

SIPEF steadily continued to expand its plantations in South Sumatra in Indonesia, with a total of 11,695 hectares already cultivated in Musi Rawas, in addition to the replanting on Dendymarker's plantations.

Despite good fruit setting, the production in Papua New Guinea continues to suffer by the recent volcanic eruptions. To date, more than 3,000 hectares are still not harvestable, and the harvesting activities on more than 2,000 less affected hectares are experiencing difficulties. In view of this expected decrease in annual production by more than 30% in Papua New Guinea and the short-term impact of the drought in Indonesia, the recurring results for the second half of the year will be in line with those of the first half. This means that SIPEF will close 2019 with a loss.

AvH further increased its participation in SIPEF to 32.33% in August 2019 (31.59% at January 1, 2019).



SIPEF - Nursery in Agro Kati Lama Estate - South Sumatra



SIPEF - Harvester at work on a young palm in Agro Rawas Ulu Estate - South Sumatra



SIPEF - Tractor pick up of the freshly harvested palm fruit bunches

# AvH & Growth Capital

In July 2019, AvH committed an investment of 10 million euros (half of which is already paid up) in **AgroSavfe** in the context of a Series C capital round totalling 35 million euros. As a result, AvH acquired a 14.6% stake. The remaining 25 million euros was provided by the existing shareholders. AgroSavfe, founded in 2013 as a spin-off of the Flemish Institute for Biotechnology, has developed a unique and versatile technological platform for the development of new protein-based biological crop protection products that provide a safe, sustainable and efficient protection for seeds, crops and food. AgroSavfe is expected to launch its first fungicide on the American market in 2022. AvH strongly believes in making the food and agricultural sector more sustainable, and continues to actively look for new opportunities in this segment, in partnership with other entrepreneurs and families.

On November 12, 2019, AvH subscribed to the capital increase (1,131 million INR or 14.3 million euros) of **Medikabazaar**, together with HealthQuad and the current shareholders. Medikabazaar is the market leader in the supply of medical equipment and consumables to hospitals in India via an online model and has achieved strong and consistent growth. Medikabazaar currently employs 278 FTE and realizes run-rate revenues of 50 million USD per annum. AvH will acquire a direct participation of 5.4% in Medikabazaar and will hold a 8.6% beneficial stake, taking into account its participation in the HealthQuad I fund (AvH 36.3%). AvH will also sit on the board of directors of Medikabazaar. Since 2017, AvH has been a shareholder and member of the investment committee of the HealthQuad I fund, which participates in 7 companies in the Indian healthcare sector, including Medikabazaar (11% stake). HealthQuad I focuses on the fast-growing Indian healthcare sector. These investments are part of AvH's strategy to invest in the Indian healthcare sector, alongside local partners with deep sector knowledge.



AgroSavfe

**medikabazaar**  
...ProCure & Cure

Medikabazaar

## General comments on the figures

At the end of September 2019, AvH (including subholdings) had a net cash position of 266.8 million euros, compared with 261.6 million euros at the end of June 2019. Besides cash and short-term deposits, this cash position consisted of 53.4 million euros in securities, own shares, and 24.0 million euros in short-term debt in the form of commercial paper.

AvH owned 363,000 own shares at September 30, 2019 (same as at June 30, 2019) to hedge its stock option plan obligations. At September 30, 2019, 4,122 own shares were added to this number as a result of acquisitions and disposals within the framework of the AvH share liquidity programme (H1 2019: 8,585).

**Ackermans & van Haaren** is a diversified group operating in 4 core sectors: Marine Engineering & Contracting (DEME, one of the largest dredging companies in the world - CFE, a construction group with headquarters in Belgium), Private Banking (Delen Private Bank, one of the largest independent private asset managers in Belgium, and asset manager JM Finn in the UK - Bank J. Van Breda & C°, niche bank for entrepreneurs and the liberal professions in Belgium), Real Estate & Senior Care (Leasinvest Real Estate, a listed real estate company - Extensa, a major land and real estate developer with a focus on Belgium and Luxembourg) and Energy & Resources (SIPEF, an agroindustrial group in tropical agriculture).

At an economic level, the AvH group represented in 2018 a turnover of 5.9 billion euros and employs 22,709 people through its share in the participations. The group focuses on a limited number of strategic participations with a significant potential for growth. AvH is listed on Euronext Brussels and is included in the BEL20 index, the Private Equity NXT index and the European DJ Stoxx 600 index.

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## Outlook 2019

The outlook for the full year 2019 has not changed as a result of events in the third quarter of 2019.

The contribution of the core segments is therefore still expected to be higher in the second half than in the first half of the year, although it is not expected that the record contribution of 2018 from the core segments will be equalled over the full year.

The capital gain of 105.7 million euros that was already achieved on Residalya in the first half of 2019 enables the board of directors to already anticipate a historical record result for the full financial year 2019.

## Website

All press releases issued by AvH and its most important group companies as well as the 'Investor Presentation' can also be consulted on the AvH website: [www.avh.be](http://www.avh.be). Anyone who is interested to receive the press releases via email has to register to this website.

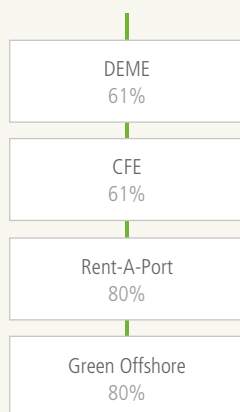
## Financial calendar

February 28, 2020	Annual results 2019
May 20, 2020	Interim statement Q1 2020
August 28, 2020	Half-year results 2020
November 23, 2020	Interim statement Q3 2020

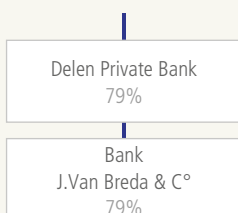


# Ackermans & van Haaren

## Marine Engineering & Contracting



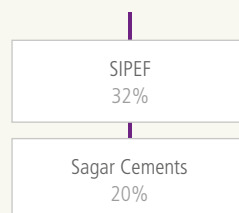
## Private Banking



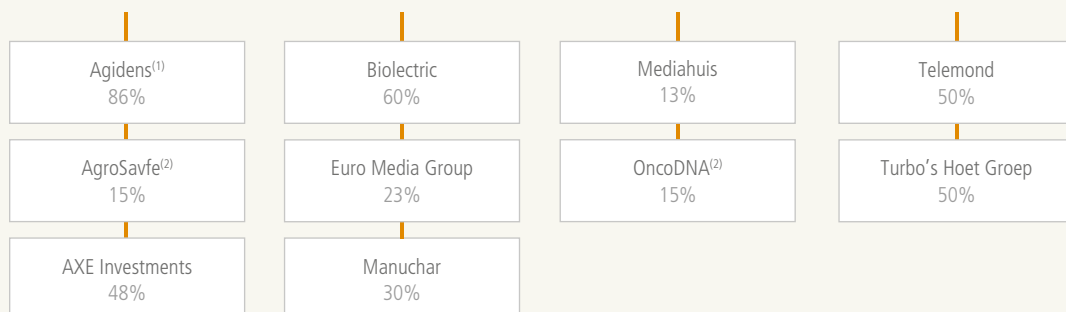
## Real Estate & Senior Care



## Energy & Resources



## AvH & Growth Capital



<sup>(1)</sup> Incl. participation via AXE Investments  
<sup>(2)</sup> Not consolidated

